

C/K. AA.

October 13, 2004

Honorable James H. Welsh
Commissioner of Conservation
Department of Natural Resources
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

RE: COMMINGLING APPLICATION
Bayou Bleu Commingling Facility No. 1
(Facility Code No. 91221)
Bayou Bleu Commingling Facility No. 2
(Facility Code No. 912370)
BAYOU BLEU FIELD
Iberville Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of Texas Petroleum Investment Company for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order concerning the following matters relating to the commingling of production in the Bayou Bleu Field, Iberville Parish, Louisiana, as set forth hereinbelow:

1. To authorize the Commingling in the applicant's Bayou Bleu Commingling Facilities No. 1 and No. 2 of gas and liquid hydrocarbons produced from the following well and the underlying lease in the Bayou Bleu Field, Iberville Parish, Louisiana:

<u>LEASE</u>	<u>WELL NAME</u>	<u>SERIAL NUMBER</u>
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Wilbert Minerals Corp.	Wilbert Minerals Corp. C No. 1	043420
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2. To approve methods other than gauge tanks for the allocation of production;
3. To approve the commingling of production and the allocation of production based upon monthly well tests in the manner proposed herein, in accordance with the provisions of Statewide Order No. 29-D-1;
4. To consider such other matters as may be pertinent.

The applicant, Texas Petroleum Investment Company, has been unable, despite diligent effort, to obtain 100% agreement by all interested parties in this area to commingling, thereby making the condition "in the absence of protest" impossible to obtain. Therefore, it is necessary and is hereby requested that this matter be set for public hearing, after legal notice. Attached hereto and made a part of this application are the following:

1. A diagrammatic sketch of the mechanical installation to be used, showing the flow of gas and liquid hydrocarbons, and the equipment to be used for a full stream test of the well to be commingled.
2. Written Explanation of Operation of Bayou Bleu Commingling and statement regarding accuracy of measurement with specific reference to the Wilbert Minerals Corp. C No. 1 being made to the existing facilities with minor revisions.

There is enclosed a list of the names and addresses of the Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided upon request. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties. The applicant will also arrange for the mailing, posting and publication of the legal notice in accordance with the Rules of Procedure.

There is also enclosed our check on behalf of Texas Petroleum Investment Company, in the sum of \$755.00, payable to the Office of Conservation, and representing the required hearing application fee.

Sincerely,

LEON E. COMEAUX & ASSOCIATES



Bill McAlister, Jr.

BMJr/cu

Enclosures

cc: Mr. Richard Hudson
Office of Conservation
825 Kaliste Saloom Road
Brandywine III, Suite 220
Lafayette, Louisiana 70508-5777

Interested Owners, Interested Parties
and Represented Parties

DESCRIPTION OF FLUID FLOW AND ALLOCATION PROCEDURE FOR THE WILBERT MINERALS C-1

All fluid produced from the Wilbert Minerals C-1 is routed to a high pressure two phase separator. At this point the gas is separated from the liquid portion of the fluid. The gas is metered at the exit point from the separator and is sent into the fuel gas system. The values from this meter are noted daily. It is important to note that at no time is gas sold, all gas produced by the Wilbert Minerals C-1 is used as fuel gas. Once the gas is in the fuel system it travels through a scrubber and is distributed to facility equipment. Water and hydrocarbon volumes extracted by the scrubber are negligible. During test periods the Wilbert Minerals C-1 gas is metered in the gas line from the high pressure separator and summed with the gas from the test separator. Gas rates reported from the test separator are usually negligible because the rates are lower than the meter's capability.

The Liquid generated by the Wilbert Minerals C-1 exit the two phase separator as a mixture of oil and water. This mixture is metered at the exit point from the two phase separator. The flow line will be routed into the header at Test Facility No. 1. No wells will have to be shut in to test the Wilbert Minerals C-1. The header will allow all other wells in production to continue to flow to Central Facility 1 while a well is in test. Test Facility 1 consists of a three phase separator with meters on the water, oil, and gas exit points. These three flow lines combine together after the metering points and then join the main flow line traveling to Central Facility 1.

A test will be performed on the Wilbert Minerals C-1 at least once a month. All other produced wells are also tested at least once a month in a consistent manner at similar pressures. By summing the tests of wells producing to Central Facility 1 a comparison is made to the volumes of both oil and water tank gauges for that day. The result monthly well tests are then utilized to allocate both the produced oil and gas volumes.

Gas meters are calibrated monthly by a third party. Liquid meters are calibrated on an ongoing basis.

In the opinion of Texas Petroleum Investment Company the commingling of gas and liquid hydrocarbons and the use of monthly metered well tests for production allocation as proposed in this application will provide reasonably accurate measurement, will not create inequities, and the owners of any interest will have opportunity to recover his just and equitable share of the reservoir content.

TEXAS PETROLEUM INVESTMENT COMPANY

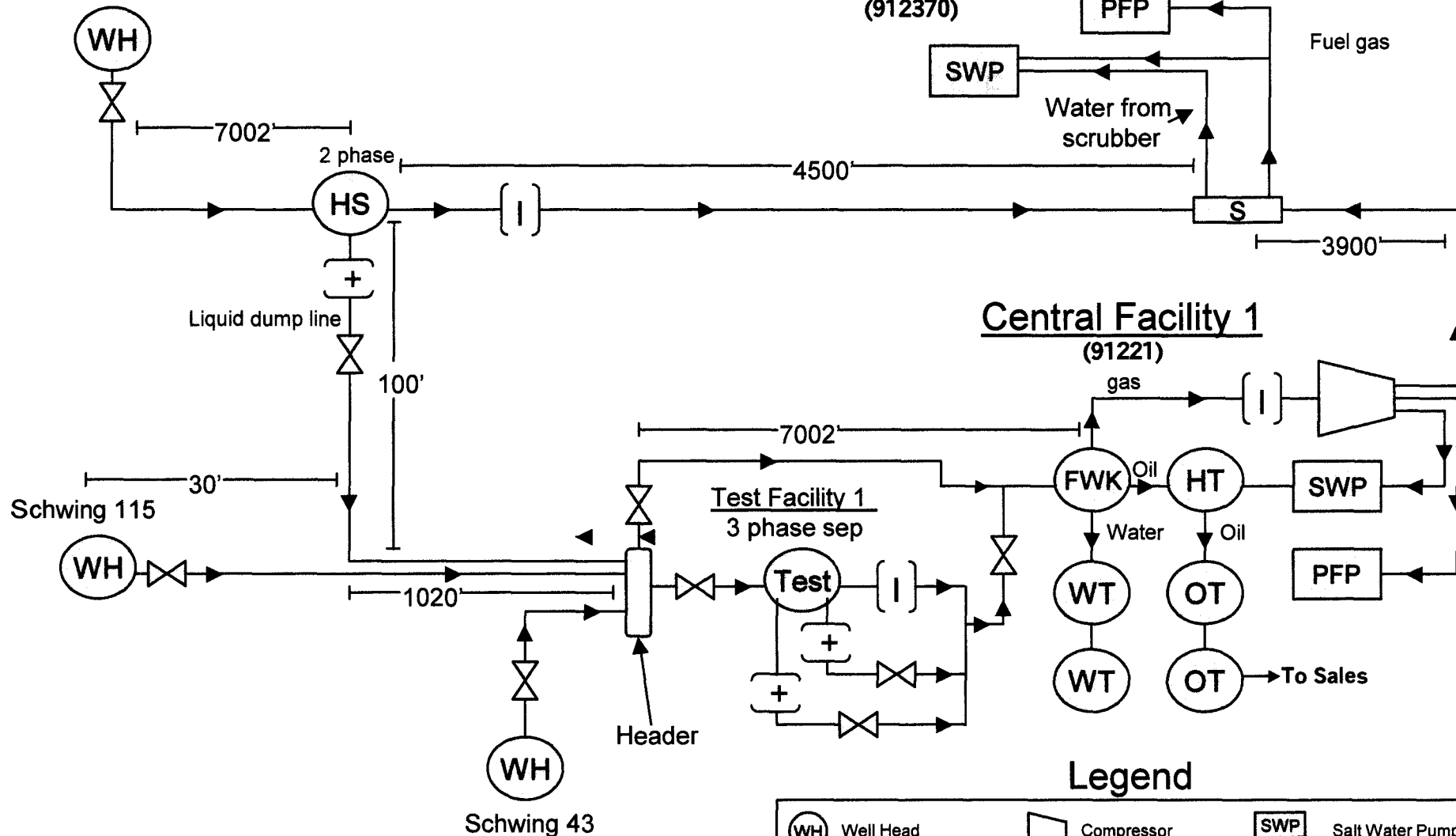
EXHIBIT NO. DOCKET NO.

DATE:

WITNESS: Fred Miller

Wilbert Minerals Corp C-1
(SN 043420)














Central Facility 2
(912370)



Central Facility 1
(91221)

Test Facility 1
3 phase sep

Legend

	Well Head		Compressor		Salt Water Pump
	Valve		Free Water Knockout		Gas Meter
	High Press Separator		Heater Treater		Total Fluid Meter
	Low Press Separator		Water Tank & Oil Tank		
	Scrubber		Power Fluid Pump		

TEXAS PETROLEUM INVESTMENT COMPANY

BAYOU BLEU FIELD
IBERVILLE PARISH, LOUISIANA

BAYOU BLEU COMMINGLING
FACILITY NO. 1 & FACILITY NO. 2
SIMPLIFIED PROCESS FLOW

Witness: Fred Miller